

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

EARLE STEINBERG,

Case No. 09-11836

Plaintiff,

HONORABLE SEAN F. COX
United States District Judge

v.

CHARLES YOUNG, et al.,

Defendants.

ORDER FOR SUPPLEMENTARY BRIEFING
IN ADVANCE OF THE COURT'S JUNE 24, 2009 HEARING

The Court is scheduled to hear oral argument regarding two of Plaintiff's motions on Wednesday, June 24, 2009 at 2:00 pm: 1) Plaintiff's "Motion for Preliminary Injunction" [Doc. No. 11]; and 2) Plaintiff's "Motion for Appointment of Receiver" [Doc. No. 12].

In its responses in opposition to both motions, intervenor JP Morgan Chase Bank, N.A. ("JP Morgan Chase") argues that it has a security interest entitled to priority in all of the assets of Defendant Charles Young's business entities. In support of that argument, JP Morgan Chase attached copies of security agreements and UCC financing statements covering the assets of two entities: 1) SDE Business Partnering, LLC [*See* Doc. No. 15, Exs. 4, 5]; and 2) SDE MRO Express, LLC [*See* Doc. No. 15, Exs. 6, 7]. Other filings in the instant action allege that SDE MRO Express, LLC is a wholly-owned subsidiary of SDE Business Partnering, LLC.

A third business entity, SDE MRO Express, Inc. n/k/a SDE Business Services, Inc. ("SDE MRO INC") is also alleged to be a wholly-owned subsidiary of SDE Business Partnering, LLC. JP Morgan Chase has not alleged, however, that it has a perfected security interest in the

assets of SDE MRO INC. To the extent that Plaintiff alleges that fraudulent transactions have diminished the assets of SDE MRO INC, the Court finds the question of JP Morgan Chase's priority, if any, in the assets of SDE MRO INC to be of importance in this case.

Accordingly, Plaintiff Earle Steinberg and intervenor JP Morgan Chase are **ORDERED** to file supplementary briefs, with supporting documentation, no later than **Tuesday, June 23, 2009**, regarding any priority JP Morgan Chase may enjoy in the assets of SDE MRO INC. Specifically, the parties should address the following issues: 1) whether JP Morgan Chase has a perfected security interest in the assets of SDE MRO INC; and if not, 2) whether JP Morgan Chase's security interest in the assets of SDE Business Partnering, LLC, extends to cover the assets of SDE MRO INC. Briefs on these issues shall be limited to **three (3) pages in length**.

IT IS SO ORDERED.

S/Sean F. Cox

Sean F. Cox

United States District Judge

Dated: June 22, 2009

I hereby certify that a copy of the foregoing document was served upon counsel of record on June 22, 2009, by electronic and/or ordinary mail.

S/Jennifer Hernandez

Case Manager